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CUBAN SUGAR CROP FAILURE POSES MAJOR PROBLEMS	50X1-HUM

Cuba's 1966 sugar is now harvested and the results pose a rather bleak outlook for the island. One year ago Castro announced that a harvest of 6.5 million tons was planned for this year. By this April, when the harvest was half finished, he admitted that it would more likely be 5 million tons. A few weeks later he spoke of "less than 5 million tons." In the end, the crop will amount to only 4.5 million tons, a low which has been hit only three times in 15 years.

The fundamental reason for the poor harvest was bad weather. Last year Cuba was hit by an exceptionally bad drought. This year, when the harvest was underway, rainfall was heavy and greatly hampered harvesting operations. However, there are many other factors which have also served to curb production and which are more directly related to the nature of the Castro regime. They include serious mismanagement, shortage of fertilizer, the decrepitude of harvesting and milling equipment, and the reluctance of the people to work hard at the harvest. None of the factors, taken separately, can be said to have a decisive effect; however their cumulative effect has seriously limited production.

The poor sugar harvest will have serious repercussions on the entire Cuban economy because sugar accounts for about 85% of all her sales abroad. Most of the crop goes to the Soviet bloc, but Cuba also sells substantial amounts of sugar in the Free World. The island is dependent on the outside world for industrial equipment, fuels, raw materials, critical consumer goods, and even for food. Hard currency is also needed for fomenting subversion and revolution in countries of the Free World.

Since Cuba's commitments of sugar this year exceed her production — even taking into consideration an estimated 500,000 tons left over from last year — she will have to default on part of her scheduled deliveries to the USSR, a procedure Castro has already had to follow in 1962, 1963, and 1964.

Putting the best face on the situation, Castro boasted in his May Day speech that while this year's harvest is poor due to bad weather, the heavy rains augur well for next year's harvest, which should be the best ever ... a full 7 million tons. However in mid-June Cuban President Osvaldo Dorticos held an urgent meeting of government ministers and party leaders to proclaim

a general mobilization of volunteer workers to rescue next year's harvest by speeding up the planting of new cane and the weeding of established cane fields, which are seriously lagging due to the continuing rains. Thus it may be that next year's crop will be poor also.

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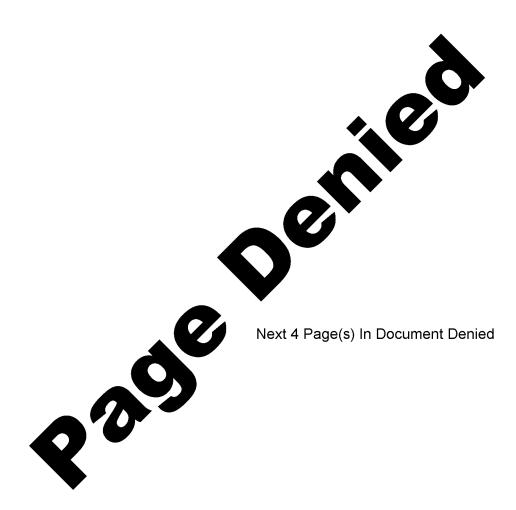
- 1. Cuba's sugar crop this year is exceptionally poor. While this is due in part to bad weather, it is also due to a long series of other factors which are under Castro's control, including mismanagement, decrepit equipment, shortage of fertilizer, and discontent of the people. The cumulative effect of these problems seriously limits future Cuban sugar production.
- 2. Cuba's crop this year is insufficient to fulfill her commitments. To bridge the gap she will have to ask the Soviets to accept delivery of smaller amounts than envisaged; she will thus be more dependent than ever on Soviet forbearance. The crop shortage probably will not affect her promised deliveries to Free World countries; but the circumstances demonstrate that she is a very uncertain supplier. Another year she may promise to deliver even more, and may be able to produce even less, in which case some Free World customers will receive less than bargained for.
- 3. There is actually a glut of sugar on the world market. It is therefore unnecessary, given this fact, for non-Communist countries to depend on Cuban delivery promises.
- 4. The poor Cuban crop further demonstrates the total failure of Communist agriculture and proves that Communism in general is inapplicable to the problems of the Western Hemisphere.
- 5. Purchases of Cuban sugar by Free World countries are deeply resented in Latin America where subversion and revolution are financed by the proceeds of such sales. A country like Japan, whose major foreign investments are in Latin America, is harming its own interests most of all.
- 6. The dependence of Cuba on vagaries of weather and Soviet aid make her, at best, a poor credit risk. Countries which are considering extending their credits to Cuba cannot justify them on the economic facts.
- 7. It is only logical to assume that the Soviets and their European satellites have long since concluded that there is little hope of ridding themselves of the Cuban economic burden as long as Castro is running the island. Therefore it may be fairly assumed that they are assiduously developing the Cuban Communist Party as the heir of Castro, in preparation

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for his early departure. Indeed the logic of this is so self-evident that rumors are flying in Havana that Castro is already on the way out.	
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		ATLANTIC	CHAF	RTER:	1941-19	66	
How	its	promises	were	fulfil	<u>led - c</u>	r viola	ted
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Fourteen August 1966 marks the 25th anniversary of the Atlantic Charter in which the US and the UK proclaimed, inter alia, that "their countries seek no aggrandizement, territorial or other"; and that "they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned." [See Atlantic Charter, attached, for the eight principles which set the framework of the US-UK postwar foreign policy.] A little over a month later (24 September 1941), 15 anti-Axis nations including the USSR had endorsed the Charter.

The Western Allies have faithfully adhered to these principles; the USSR has been equally active in violating them.

Distrust of the Soviet Union was widespread as the war clouds formed over Europe. And this distrust was justified when the Soviets signed the "non-aggression pact" with Hitler's Germany in August 1939 and divided their spheres of interest in Europe in secret protocols.

When Nazi Germany turned and attacked its erstwhile partner in world aggression on 22 June 1941, Western Europe was fighting for its life and freedom against Hitler's armies. Therefore, on the following day, Winston Churchill broadcast this offer to the USSR:

"Any man or state who fights on against Nazidom will have our aid. ... It follows, therefore, that we shall give whatever help we can to Russia and the Russian people."

The differences in the Soviet Union's communist motives, political ideas and objectives were clearly recognized. But Hitler's aggressive war was the immediate critical danger to Europe and the needs of military cooperation with Moscow took priority over all else.

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Nonetheless, in an effort to establish an identity of political principles, the US and UK proclaimed their Atlantic Charter in August and invited its allies to subscribe to it. In spite of endorsing these principles, Moscow immediately pressed for but failed to get political commitments from its Western Allies. For example, in December 1941 when Stalin was demanding Western recognition of Soviet right to territory taken in the period 1939-1941, and settlement of most other European political and territorial questions which would emerge from the war, British Foreign Minister Eden reminded him of the Atlantic treaty to which he had subscribed and said that these matters would have to wait. Stalin said he thought the Charter was directed against those who were trying to get world domination (sic) "but it was beginning to look as though it were directed against the Soviet Union." No better example is needed of the disparity between communist words and actions, promises and performance, and understanding of morality.

The Soviets are commemorating the 25th anniversary of the Nazi attack on the USSR -- and describing West Germany as the lineal descendant of Nazism. Their propaganda attempts to rewrite history, namely to bury the fact that the victim in a falling out of thieves hardly deserves sympathy, and that East Germany is the authoritarian descendant of Nazi Germany.

Since the immediate postwar period, the Soviet Union has pressed its strategy of pretended acceptance of the principles of sovereignty, freedom, and non-interference in the internal affairs of other countries and peoples. At the same time, she has annexed vast territories in Europe and Asia and imposed her will on numerous Satellite regimes. Thus her actions continue to expose these protestations as tactical camouflage for aggression and subversion for furthering her expansionist aims. In practice the Soviet Union's peaceful coexistence is basically subversion through popular fronts and infiltration through friendship and cultural exchange pacts; its support of nationalism and independence is in reality support of wars for national liberation and direction of guerrilla warfare and coups by dissidents against legitimate governments — including, as in the case of Ghana, those waged by one country against its neighbors.

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1) The Free West has honored its commitment to the foreign policy principles stated in the Charter: it has not imposed its rule on any new territories or peoples. Even more, it has worked actively to support those principles, e.g., by transforming its colonies into independent nations as quickly as possible (England and France in particular); supporting UN efforts to settle disputes peacefully (e.g., Middle East, Yemen, Kashmir, Laos); and fighting actively to prevent aggressive nations from imposing their rule over others by force (e.g., Korea, Congo, Vietnam).

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2) The Soviet Union has, for twenty-five long years, abrogated its
similar commitments: it has brought immense territories and millions of
people under its control by force (e.g., Baltic countries, East Poland,
and parts of Czechoslovakia, parts of Finland and Japan, Bessarabia).
It has abrogated not only this Charter, but countless bilateral treaties,
pacts and agreements pertaining to the recognition of sovereignty, mutual
assistance, non-aggression, friendship and trade, with large and small
countries. 50X1-HUM

- 1) Europe was fighting for its life and freedom in WW II and all differences between allies had to be submerged if the immediate critical danger threatened by Hitler's fanatical Nazism was to be met. Only the sudden attack of Nazi Germany upon its erstwhile collaborator -- who had been willing to protect itself from such attack and reap sizeable advantages from the war against the West -- brought the USSR to a position of "accepting" help from the western allies. Differences between the USSR and its Western Allies in motives, trustworthiness, political intent, etc. were known. But the war effort had to come first and political disagreements warded off in the interim. There is no such pressing need to mollify aggressors today.
- 2) The Western Allies could hope that a war won against a strong aggressive power, along with the experience of collaborating with western democracies, would make the Soviet Union more responsive to the rights and institutional differences of others. Only the consequences of the Yalta and Teheran conferences, and Soviet intransigeance in occupying and taking over all of East Europe showed how wishful the thinking of Western leaders had been.
- 3) The principles of the Altantic Charter are, by and large, the ones to which the USSR again purports to subscribe in its peaceful coexistence policy, its endorsement of non-interference in the internal affairs of other countries, and its demands for "liberation." But the current activities of the USSR are just as equally in conflict with these stated principles as its actions during and subsequent to WW II when it enslaved, inter alia, East Europe. Among current communist activities in conflict with stated principles the following are suggestive: proposing popular fronts as the means of government takeover; supporting subversion against legitimate governments; encouraging active sabotage, rebellion within foreign countries; supporting North Vietnam's aggressive war against South Vietnam; collaborating with foreign governments against their neighbors (e.g., Ghana, Tanzania, Somalia, UAR); refusing to participate in UN efforts to maintain the peace in numerous places throughout the world.

THE STRUGGLE FOR POWER IN COMMUNIST CHINA
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The original founders of the Chinese Communist Party (CCP) in 1921 and first dispensers of Marxist-Leninist doctrine in China were two professors at Peking University. These learned gentlemen (named CH'EN Tu'hsiu and LI Ta-chao) were leaders of China's westernized intelligentsia - they were also men of vastly differing temper, at one only in their common desire to cast off the traditional trappings of Chinese culture and look to the West for philosophic guidance. Their disparity of temperament, aim and motivation cut the pattern with remarkable accuracy for what was to be the character of the Chinese Communist Party for the first half century of its existence: chronic discord which has run the gamut from petty bickering to reasoned dissent to bloody rebellion.

The dissent-ridden history of the CCP is the best proof available objective and factual - that communism is far removed from the monolithic structure its leaders and followers would have the non-communist world believe. Chinese Communism is quite possibly even less monolithic than other communist systems since it has been twisted to one man's changing will (MAO Tse-tung) and forced by the press of circumstance to relax its rigidity in a most un-communist manner (the "Hundred Flowers" episode, for instance). In its turbulent life-span, the CCP and its leaders have fought with their Chinese brothers (the Kuomintang), have fought among themselves on levels as high as the Politburo, and have proved so pugnacious internationally that they have virtually isolated the Chinese people from the rest of the world. Finally the CCP squared off at the CPSU (Communist Party of the Soviet Union) - a testimonial to Chinese ingratitude, since the CPSU nursed an ungracious CCP through its growing pains in the 1950's. Wishing to maintain some facade of international unity the CCP and the CPSU have not broken formally but the echoes of their quarrels (regularly published by both parties in 'secret' letters and voiced through mouthpieces like Albania), have given comfort to the enemies of communism and helped to shatter the image of communist oneness of purpose.

Another reason for communism's failure to build a truly monolithic structure is man's driving desire for change or movement regardless of the direction -- a fact "scientifically" disclaimed by communists. Homo sapiens is pliant to a certain degree but as has been demonstrated throughout the history of the CCP, inevitably one faction breaks away from the

mold as individuality asserts itself. What we are seeing (even if through a glass darkly) in China today is simply one more episode in the inevitably turbulent history of communism - life is stirring within the so-called monolith, causing cracks in the structure today as it has in the past and will in the future.

What sparked the current feud (the purge of intellectuals) is not clear. It may have been simply the first step in a deliberate campaign plotted by MAO's lieutenants to arrange for his succession, with or without his connivance. If controls were originally agreed upon by MAO's men as to the pace of the purge or the identity of the successor, those controls back-fired and it now appears that a full fledged battle for succession is raging in Communist China. The leadership struggle has already spread well beyond Peking and as it continues will probably reverberate down through the echelons of the hierarchy to be repeated at every level of the party and state organizations. It is believed that from this time forward MAO's role will be that of a figurehead until such time as one of his successors - now dependent on the momentum of MAO's revolutionary mystique - feels strong enough to shed MAO-ism and stand on his own feet. At that point MAO-ism will be officially dead.

History is once more in the process of proving that communism is fragile, fallible and subject to ills. History will undoubtedly also prove that like other famous communist leaders before him (most notably Stalin and Khrushchev) MAO is no more a monolith than the system he has represented for three decades.

Proof that history is repeating itself can be found and used in playing up what the regime has exposed in its current criticism of the intellectuals who are leading the drive in China for the missing elements which have always caused dissension under communism: literary realism, a foreign policy which does not alienate the rest of the world, a domestic economy which gives freer rein to individual initiative and the opportunity for an education uninterrupted by time out for work for the state (in communes or factories or mines or various regime-controlled enterprises).

In the current upheaval MAO with his shortsighted, strongarm policy is being revealed as a consistent loser. He has failed as a theorist for

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he twisted Marxism-Leninism to his own interpretations of China's particular needs; his failure as an economist was shouted to the world and the Chinese people in the debacle of the Great Leap Forward; his ineptness as a foreign policy maker can be graphically shown in China's isolation from the free world, the deterioration of her relations with African nations, other Asian nations, other communist nations/parties and even her growing alienation from her erstwhile benefactor and most powerful former ally, the Soviet Union. And now MAO's failure to hold together or even control his own lieutenants is becoming known to the world as the battle to take over his power rages.

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